

3900 Air Resources Board

The Air Resources Board has primary responsibility for protecting air quality in California. This responsibility includes establishing ambient air quality standards for specific pollutants, administering air pollution research studies, evaluating standards adopted by the U.S. Environmental Protection Agency and developing and implementing plans to attain and maintain these standards. These plans include emission limitations for vehicular and industrial sources established by the Board and local air pollution control districts. The Air Resources Board also has the responsibility, in coordination with the Secretary for Environmental Protection, to develop measures to reduce greenhouse gas emissions to 1990 levels by 2020, pursuant to Chapter 488, Statutes of 2006 (AB 32).

Since department programs drive the need for infrastructure investment, each department has a related capital outlay program to support this need. For the specifics on the Air Resources Board's Capital Outlay Program see "Infrastructure Overview."

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
15 Mobile Source	730.7	829.8	836.5	\$686,596	\$563,276	\$560,798
25 Stationary Source	288.7	307.4	308.4	46,840	57,049	58,359
30.01 Administration	132.4	135.7	135.7	15,376	15,085	15,244
30.02 Distributed Administration	-	-	-	-15,376	-15,085	-15,244
35 Subvention	-	-	-	10,111	10,111	10,111
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	1,151.8	1,272.9	1,280.6	\$743,547	\$630,436	\$629,268
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$2,265	\$193	\$196
0044 Motor Vehicle Account, State Transportation Fund				117,785	126,884	119,418
0115 Air Pollution Control Fund				155,140	167,470	170,586
0421 Vehicle Inspection and Repair Fund				14,038	14,699	15,130
0434 Air Toxics Inventory and Assessment Account				918	944	973
0890 Federal Trust Fund				7,979	15,702	15,975
0995 Reimbursements				3,014	5,711	5,818
3070 Nontoxic Dry Cleaning Incentive Trust Fund				768	1,514	1,522
3119 Air Quality Improvement Fund				-	46,083	46,117
6053 Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006				191,807	814	3,403
6054 CA Ports Infrastructure, Security, & Air Quality Improvement Account, Highway Safety, Traffic Reduction, Air Quality, & Port Security Fund of 2006				249,833	250,422	250,130
TOTALS, EXPENDITURES, ALL FUNDS				\$743,547	\$630,436	\$629,268

LEGAL CITATIONS AND AUTHORITY

PROGRAM AUTHORITY

15-Mobile Source:

Health and Safety Code Sections 38500 et seq. and 43000 et seq.

25-Stationary Source:

Health and Safety Code Sections 38500 et seq. and 39000 et seq.

35-Subvention:

Health and Safety Code Section 39800 et seq.

MAJOR PROGRAM CHANGES

- Heavy-Duty Vehicle Regulatory Implementation - The Budget includes \$1.6 million Motor Vehicle Account and 4.8 positions to provide compliance assistance and outreach to businesses and individuals subject to new heavy-duty diesel-powered vehicle regulations aimed at reducing toxic air contaminant and criteria pollutant emissions to meet federal clean air standards.

* Dollars in thousands

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- Greenhouse Gas Reporting-Emission Verification - The Budget includes \$362,000 Air Pollution Control Fund and one position to ensure the correctness of emission reduction credits used to meet the requirements of greenhouse gas regulations and to oversee and validate the third-party verification of greenhouse gas emissions from major sources beginning January 1, 2010.

DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Workload Budget Change Proposals						
• Regional Greenhouse Gas Emission Reduction Targets for Light-Duty Vehicles (SB 375 Implementation)	\$-	\$-	-	\$-	\$682	1.9
Totals, Workload Budget Change Proposals	\$-	\$-	-	\$-	\$682	1.9
Other Workload Budget Adjustments						
• Employee Compensation and Retirement Rate Adjustments per BL 08-25 and BL 08-14	\$4	\$7,376	-	\$4	\$7,546	-
• Baseline Price Adjustment	-	-	-	3	5,246	-
• Carryovers/Reappropriations	-	3,058	-	-	3,058	-
• Misc. Baseline Adjustments	-	-	-	-	-881	-
• Estimated savings (CY) and reduction to baseline expenditures (BY) for Air Quality Improvement Program	-	-4,400	-	-	-4,400	-
• One-time cost reductions	-	-	-	-	-11,350	-
Totals, Other Workload Budget Adjustments	\$4	\$6,034	-	\$7	-\$781	-
Totals, Workload Budget Adjustments	\$4	\$6,034	-	\$7	-\$99	1.9
Policy Adjustments						
• Lower Emission School Bus Program	\$-	\$-	-	\$-	\$3,000	-
• Heavy-Duty Diesel Regulatory Implementation	-	-	-	-	1,600	4.8
• Greenhouse Gas Reporting: Emissions Verification Program	-	-	-	-	362	1.0
Totals, Policy Adjustments	\$-	\$-	-	\$-	\$4,962	5.8
Totals, Budget Adjustments	\$4	\$6,034	-	\$7	\$4,863	7.7

PROGRAM DESCRIPTIONS (Program Objectives Statement)

15 - MOBILE SOURCE

The Mobile Source Program works to improve air quality by reducing emissions from internal combustion engines as follows:

- Develop, implement and enforce laws and regulations limiting emissions from new and in-use vehicles and assess the effectiveness of established procedures.
- Develop testing and evaluation procedures for vehicles, engines, emission control components, fuel additives and test equipment to ensure that emission standards are met.
- Conduct information and training seminars for vehicle dealers, mechanics, inspectors and members of the public on vehicle emissions and resulting air pollution.
- Develop measures for reducing greenhouse gas emissions from mobile and other sources as required by the California Global Warming Solutions Act of 2006.

25 - STATIONARY SOURCE

The Stationary Source Program works with air pollution control districts and the business and scientific communities to reduce emissions from stationary sources to comply with state and federal laws as follows:

- Develop measures for reducing emissions from stationary and other sources as required by the California Clean Air Act and work with local air pollution control districts to achieve and maintain state and federal ambient air quality standards.
- Identify substances that are toxic air contaminants and develop measures to control their emissions.
- Assist industries wishing to locate or expand in California and provide comments to lead agencies and districts on applications for permits to construct or modify facilities that are major sources of air pollution.
- Develop measures for reducing greenhouse gas emissions from stationary and other sources as required by the California Global Warming Solutions Act of 2006.

* Dollars in thousands

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35 - SUBVENTION

The Air Resources Board provides subventions to local air pollution control districts in order to encourage and provide support for effective district programs. The state's 35 local air pollution control districts have the primary responsibility for controlling stationary sources of air pollution in California.

DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

	2007-08*	2008-09*	2009-10*
PROGRAM REQUIREMENTS			
15 MOBILE SOURCE			
State Operations:			
0044 Motor Vehicle Account, State Transportation Fund	\$107,674	\$116,773	\$109,307
0115 Air Pollution Control Fund	120,600	130,748	132,906
0421 Vehicle Inspection and Repair Fund	14,038	14,699	15,130
0890 Federal Trust Fund	883	1,696	1,726
0995 Reimbursements	1,761	2,041	2,079
3119 Air Quality Improvement Fund	-	46,083	46,117
6053 Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006	191,807	814	3,403
6054 CA Ports Infrastructure, Security, & Air Quality Improvement Account, Highway Safety, Traffic Reduction, Air Quality, & Port Security Fund of 2006	249,833	250,422	250,130
Totals, State Operations	\$686,596	\$563,276	\$560,798
PROGRAM REQUIREMENTS			
25 STATIONARY SOURCE			
State Operations:			
0001 General Fund	\$2,265	\$193	\$196
0115 Air Pollution Control Fund	34,540	36,722	37,680
0434 Air Toxics Inventory and Assessment Account	918	944	973
0890 Federal Trust Fund	7,096	14,006	14,249
0995 Reimbursements	1,253	3,670	3,739
3070 Nontoxic Dry Cleaning Incentive Trust Fund	768	1,514	1,522
Totals, State Operations	\$46,840	\$57,049	\$58,359
PROGRAM REQUIREMENTS			
35 SUBVENTION			
Local Assistance:			
0044 Motor Vehicle Account, State Transportation Fund	\$10,111	\$10,111	\$10,111
Totals, Local Assistance	\$10,111	\$10,111	\$10,111
TOTALS, EXPENDITURES			
State Operations	733,436	620,325	619,157
Local Assistance	10,111	10,111	10,111
Totals, Expenditures	\$743,547	\$630,436	\$629,268

EXPENDITURES BY CATEGORY (Summary By Object)

	1 State Operations			Expenditures		
	Positions			2007-08*	2008-09*	2009-10*
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	1,151.8	1,330.4	1,330.4	\$92,468	\$104,440	\$106,073
Total Adjustments	-	-	8.0	-	6,360	7,167
Estimated Salary Savings	-	-57.5	-57.8	-	-4,587	-4,690
Net Totals, Salaries and Wages	1,151.8	1,272.9	1,280.6	\$92,468	\$106,213	\$108,550

* Dollars in thousands

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1 State Operations	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
Staff Benefits	-	-	-	31,150	36,580	37,576
Totals, Personal Services	1,151.8	1,272.9	1,280.6	\$123,618	\$142,793	\$146,126
OPERATING EXPENSES AND EQUIPMENT				\$609,818	\$477,532	\$473,031
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$733,436	\$620,325	\$619,157
2 Local Assistance				Expenditures		
				2007-08*	2008-09*	2009-10*
Grants and Subventions				\$10,111	\$10,111	\$10,111
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)				\$10,111	\$10,111	\$10,111

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$2,435	\$189	\$196
Allocation for employee compensation	3	4	-
Adjustment per Section 4.04	-61	-	-
Reduction per Section 4.44 (AB 3X-3, Chapter 1, Statutes of 2008)	-100	-	-
Totals Available	\$2,277	\$193	\$196
Unexpended balance, estimated savings	-12	-	-
TOTALS, EXPENDITURES	\$2,265	\$193	\$196
0044 Motor Vehicle Account, State Transportation Fund			
APPROPRIATIONS			
001 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007	\$93,875	\$-	\$-
Allocation for employee compensation	5,303	-	-
Adjustment per Section 3.60	-139	-	-
Adjustment per Section 15.25	-5	-	-
001 Budget Act appropriation as amended by Chapter 269, Statutes of 2008	-	111,261	-
Allocation for employee compensation	-	3,173	-
Adjustment per Section 3.60	-	-16	-
001 Budget Act appropriation	-	-	109,307
011 Budget Act appropriation (Transfer to Air Pollution Control Fund)	(15,179)	-	-
Prior year balances available:			
Item 3900-001-0044, Budget Act of 2006	6,500	-	-
Item 3900-001-0044, Budget Act of 2007	-	2,355	-
Chapter 91, Statutes of 2005 as reappropriated by Item 3900-490, Budget Act of 2006	4,500	-	-
Totals Available	\$110,034	\$116,773	\$109,307
Unexpended balance, estimated savings	-5	-	-
Balance available in subsequent years	-2,355	-	-
TOTALS, EXPENDITURES	\$107,674	\$116,773	\$109,307
0115 Air Pollution Control Fund			
APPROPRIATIONS			
001 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007	\$154,541	\$-	\$-
Allocation for employee compensation	3,572	-	-
Adjustment per Section 3.60	-55	-	-
Adjustment per Section 15.25	-1	-	-
001 Budget Act appropriation	-	164,758	170,586
Allocation for employee compensation	-	2,738	-

* Dollars in thousands

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1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
Adjustment per Section 3.60	-	-26	-
Totals Available	\$158,057	\$167,470	\$170,586
Unexpended balance, estimated savings	-2,917	-	-
TOTALS, EXPENDITURES	\$155,140	\$167,470	\$170,586
0133 California Beverage Container Recycling Fund			
APPROPRIATIONS			
011 Budget Act appropriation	\$-	(\$32,000)	(\$35,000)
TOTALS, EXPENDITURES	\$-	\$-	\$-
0421 Vehicle Inspection and Repair Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$13,252	\$14,271	\$15,130
Allocation for employee compensation	811	430	-
Adjustment per Section 3.60	-24	-2	-
Totals Available	\$14,039	\$14,699	\$15,130
Unexpended balance, estimated savings	-1	-	-
TOTALS, EXPENDITURES	\$14,038	\$14,699	\$15,130
0434 Air Toxics Inventory and Assessment Account			
APPROPRIATIONS			
001 Budget Act appropriation	\$869	\$936	\$973
Allocation for employee compensation	53	9	-
Adjustment per Section 3.60	-1	-1	-
Adjustment per Section 15.25	-3	-	-
TOTALS, EXPENDITURES	\$918	\$944	\$973
0890 Federal Trust Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$13,963	\$14,924	\$15,975
Allocation for employee compensation	838	787	-
Adjustment per Section 3.60	-23	-9	-
Budget Adjustment	-6,799	-	-
TOTALS, EXPENDITURES	\$7,979	\$15,702	\$15,975
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$3,014	\$5,711	\$5,818
3070 Nontoxic Dry Cleaning Incentive Trust Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,523	\$1,514	\$1,522
Totals Available	\$1,523	\$1,514	\$1,522
Unexpended balance, estimated savings	-755	-	-
TOTALS, EXPENDITURES	\$768	\$1,514	\$1,522
3119 Air Quality Improvement Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$-	\$50,440	\$46,117
Allocation for employee compensation	-	43	-
Totals Available	\$-	\$50,483	\$46,117
Unexpended balance, estimated savings	-	-4,400	-
TOTALS, EXPENDITURES	\$-	\$46,083	\$46,117
6053 Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006			
APPROPRIATIONS			
001 Budget Act appropriation	\$193,000	\$-	\$3,000
Allocation for employee compensation	24	-	-

* Dollars in thousands

3900 Air Resources Board - Continued

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
Prior year balances available:			
Item 3900-001-6053, Budget Act of 2007, as proposed reappropriation by Item 3900-490, Budget Act of 2008	-	1,217	403
Totals Available	\$193,024	\$1,217	\$3,403
Balance available in subsequent years	-1,217	-403	-
TOTALS, EXPENDITURES	\$191,807	\$814	\$3,403
6054 CA Ports Infrastructure, Security, & Air Quality Improvement Account, Highway Safety, Traffic Reduction, Air Quality, & Port Security Fund of 2006			
APPROPRIATIONS			
001 Budget Act appropriation	\$250,000	\$250,131	\$250,130
Allocation for employee compensation	125	-	-
Adjustment per Section 3.60	-	-1	-
Prior year balances available:			
Item 3900-001-6054, Budget Act of 2007, as reappropriated by Item 3900-490, Budget Act of 2008	-	292	-
Totals Available	\$250,125	\$250,422	\$250,130
Balance available in subsequent years	-292	-	-
TOTALS, EXPENDITURES	\$249,833	\$250,422	\$250,130
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$733,436	\$620,325	\$619,157
2 LOCAL ASSISTANCE	2007-08*	2008-09*	2009-10*
0044 Motor Vehicle Account, State Transportation Fund			
APPROPRIATIONS			
101 Budget Act appropriation	\$10,111	\$10,111	\$10,111
TOTALS, EXPENDITURES	\$10,111	\$10,111	\$10,111
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$10,111	\$10,111	\$10,111
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$743,547	\$630,436	\$629,268
FUND CONDITION STATEMENTS			
	2007-08*	2008-09*	2009-10*
0115 Air Pollution Control Fund ^s			
BEGINNING BALANCE	\$32,237	\$36,872	\$21,452
Prior year adjustments	2,407	-	-
Adjusted Beginning Balance	\$34,644	\$36,872	\$21,452
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	92,397	95,239	95,239
150300 Income From Surplus Money Investments	7,354	3,100	3,100
160400 Sale of Fixed Assets	7	1	1
161400 Miscellaneous Revenue	169	-	-
164300 Penalty Assessments	13,792	3,200	3,200
Transfers and Other Adjustments:			
FO0044 From Motor Vehicle Account, State Transportation Fund loan per Item 0555-011- 0044, Budget Act of 2007	293	-	-
FO0044 From Motor Vehicle Account, State Transportation Fund loan per Item 3900-011- 0044, Budget Act of 2007	15,179	-	-
FO0133 From California Beverage Container Recycling Fund loan per Item 3900-011- 0133, Budget Act of 2008	-	32,000	35,000
FO0226 From California Tire Recycling Management Fund per Public Resources Code 42889	28,867	21,478	21,332

* Dollars in thousands

3900 Air Resources Board - Continued

	<u>2007-08*</u>	<u>2008-09*</u>	<u>2009-10*</u>
Total Revenues, Transfers, and Other Adjustments	\$158,058	\$155,018	\$157,872
Total Resources	\$192,702	\$191,890	\$179,324
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0555 Secretary for Environmental Protection (State Operations)	645	1,413	1,462
0840 State Controller (State Operations)	45	64	-
3900 Air Resources Board			
State Operations	155,140	167,470	170,586
Capital Outlay	-	1,491	-
Total Expenditures and Expenditure Adjustments	<u>\$155,830</u>	<u>\$170,438</u>	<u>\$172,048</u>
FUND BALANCE	\$36,872	\$21,452	\$7,276
Reserve for economic uncertainties	36,872	21,452	7,276
0434 Air Toxics Inventory and Assessment Account ^s			
BEGINNING BALANCE	\$209	\$56	\$63
Prior year adjustments	<u>-203</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$6	\$56	\$63
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	962	950	950
150300 Income From Surplus Money Investments	<u>6</u>	<u>1</u>	<u>1</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$968</u>	<u>\$951</u>	<u>\$951</u>
Total Resources	\$974	\$1,007	\$1,014
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
3900 Air Resources Board (State Operations)	<u>918</u>	<u>944</u>	<u>973</u>
Total Expenditures and Expenditure Adjustments	<u>\$918</u>	<u>\$944</u>	<u>\$973</u>
FUND BALANCE	\$56	\$63	\$41
Reserve for economic uncertainties	56	63	41
3070 Nontoxic Dry Cleaning Incentive Trust Fund ^s			
BEGINNING BALANCE	\$940	\$721	\$705
Prior year adjustments	<u>21</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$961	\$721	\$705
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	526	1,499	1,499
164300 Penalty Assessments	<u>3</u>	<u>-</u>	<u>-</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$529</u>	<u>\$1,499</u>	<u>\$1,499</u>
Total Resources	\$1,490	\$2,220	\$2,204
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0840 State Controller (State Operations)	1	1	-
3900 Air Resources Board (State Operations)	<u>768</u>	<u>1,514</u>	<u>1,522</u>
Total Expenditures and Expenditure Adjustments	<u>\$769</u>	<u>\$1,515</u>	<u>\$1,522</u>
FUND BALANCE	\$721	\$705	\$682
Reserve for economic uncertainties	721	705	682
3119 Air Quality Improvement Fund ^s			
BEGINNING BALANCE	-	-	\$917
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			

* Dollars in thousands

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	2007-08*	2008-09*	2009-10*
Revenues:			
125600 Other Regulatory Fees	-	\$46,000	46,000
150300 Income From Surplus Money Investments	-	1,000	1,000
Total Revenues, Transfers, and Other Adjustments	-	\$47,000	\$47,000
Total Resources	-	\$47,000	\$47,917
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
3900 Air Resources Board (State Operations)	-	46,083	46,117
Total Expenditures and Expenditure Adjustments	-	\$46,083	\$46,117
FUND BALANCE	-	\$917	\$1,800
Reserve for economic uncertainties	-	917	1,800

INFRASTRUCTURE OVERVIEW

The Air Resources Board has a headquarters location and several specialized field offices including motor vehicle testing and analysis laboratories and 42 air monitoring sites. The air monitoring sites are leased from public or private entities and consist of mainly air monitoring equipment. Many of these air monitoring sites are located on building rooftops, in small areas within buildings, or in a field.

SUMMARY OF PROJECTS

		2007-08*	2008-09*	2009-10*
	State Building Program Expenditures			
40	CAPITAL OUTLAY			
	Major Projects			
40.10	HAAGEN-SMIT LABORATORY	\$-	\$1,491	\$-
40.10.002	Haagen-Smit Laboratory Seismic Retrofit	-	1,491 ^{Cs}	-
	Totals, Major Projects	\$-	\$1,491	\$-
TOTALS, EXPENDITURES, ALL PROJECTS		\$-	\$1,491	\$-
FUNDING		2007-08*	2008-09*	2009-10*
0115	Air Pollution Control Fund	\$-	\$1,491	\$-
TOTALS, EXPENDITURES, ALL FUNDS		\$-	\$1,491	\$-

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

3 CAPITAL OUTLAY		2007-08*	2008-09*	2009-10*
0115 Air Pollution Control Fund				
APPROPRIATIONS				
301	Budget Act appropriation	\$-	\$491	\$-
Prior year balances available:				
	Item 3900-301-0115, Budget Act of 2006, as reappropriated by Item 3900-491, Budget Act of 2007, and Item 3900-492, Budget Act of 2008	1,000	1,000	-
	Totals Available	\$1,000	\$1,491	\$-
	Balance available in subsequent years	-1,000	-	-
TOTALS, EXPENDITURES		\$-	\$1,491	\$-
TOTALS, EXPENDITURES, ALL FUNDS (Capital Outlay)		\$-	\$1,491	\$-

* Dollars in thousands